

Senators Hall and Hannibal.

SENATOR CHAMBERS: Mr. Chairman and members of the Legislature, I want to ask a question about the amendment that Senator Conway is offering, to try to get some things into the record.

SPEAKER BARRETT: Senator Conway, would you respond?

SENATOR CHAMBERS: Senator Conway, the amendment... (Laughter.) He is just a sounding board anyway, he is my straight man. I don't really need him, but I'm just trying to let him get into the act. The amendment would allow these fees, that will be charged under these circumstances, to be negotiated. negotiated.... Don't play with the microphone...to be negotiated in front. Now those fees will become a part of the outstanding balance and interest can be applied or charged on those fees, if they are not paid during that first period?

SENATOR CONWAY: Yes, I would assume the fee would become a charge just as if you bought something with a card and would be a part of the accumulated balance. If you didn't pay down your balance, that amount of money has a cost, and so, therefore, I assume the interest would start accruing against the fees also.

SENATOR CHAMBERS: Okay, so they are going to gain all the way around, the card person. I want to ask you this question. Do you feel that this amendment, if adopted, being somewhat of a users fee will reduce the rate of interest charged to the average cardholder?

SENATOR CONWAY: Theoretically, conceivably, yes.

SENATOR CHAMBERS: When you add those many modifiers your real answer is no, though.

SENATOR CONWAY: There is no guarantees it would reduce it, because you may have other extraneous kinds of costs that start showing up also.

SENATOR CHAMBERS: If we come back next year and interest rates have not mitigated as a result of market, whatever you and Senator Goodrich want to call it, dynamics, then would you be in favor of removing that amendment?

SENATOR CONWAY: Could you ask that again?